



**STATE OF TENNESSEE
DEPARTMENT OF HUMAN SERVICES**

CITIZENS PLAZA BUILDING
400 DEADERICK STREET
NASHVILLE, TENNESSEE 37243-1403

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BILL HASLAM
GOVERNOR

DANIELLE W. BARNES
COMMISSIONER

January 3, 2018

Shawn Joseph, Superintendent
Metro Nashville Public Schools
Attention: Nutrition Services
2601 Bransford Avenue
Nashville, Tennessee 37204-2811

Dear Dr. Joseph,

The Department of Human Services (DHS) - Audit Services Division staff conducted an unannounced on-site monitoring review of the Child and Adult Care Food Program (CACFP) at Metro Nashville Public Schools (Sponsor), Application Agreement number 00-101, on August 24, 2017. We reviewed the Sponsor's records of reimbursements and expenditures for April 2017. The purpose of this review was to determine if the Sponsor complied with the *Title 7 of the Code of Federal Regulations* (CFR) applicable parts, application agreement, and applicable Federal and State regulations.

Based on our review of the Sponsor's records and information provided, the Sponsor had 31 sites operating during April 2017. Hunter's Lane High School, Paragon Mills Elementary, Wright Middle, Whitsitt Elementary, and Napier KidPower were selected as the sample sites.

Background

CACFP Sponsors utilize meal count sheets to record the number breakfast, lunch, supper and supplement meals served. Meals served by participating Sponsors must meet the minimum guidelines set by the United States Department of Agriculture (USDA) and DHS to be eligible for reimbursement. The CACFP Sponsor reports the number of meals served through the DHS Tennessee Information Payment System (TIPS) to seek reimbursement. We inspected meal counts sheets for our test period and reconciled the meals claimed to the meals reported as served for each meal service. We also assessed compliance with civil rights requirements. In addition, we observed a meal service during our unannounced site visits to the sample sites during the test month.

Our review of the Sponsor's records for April 2017 disclosed the following:

1. The Sponsor reported incorrect meal counts

Condition

The Claim for Reimbursement for the test month reported 12,758 supper meals served. However, based on our review of the Sponsor's records, we found that 12,769 supper meals were documented as served prior to any meal disallowances.

Based on our review of the Sponsor documentation, we noted that the Sponsor overreported 35 supper meals served at Whitsitt Elementary, and underreported one supper meal served at Wright Elementary 21st Century, three supper meals served at Paragon Mills, and 44 supper meals served at Whitsitt Reading Club.

As a result of the review, we noted that the Sponsor 13 supper meals served were underreported.

Criteria

Title 7 of the Code of Federal Regulations, Section 226.10(c) states, "... In submitting a Claim for Reimbursement, each institution shall certify that the claim is correct and that records are available to support that claim."

Recommendation

Sponsor will ensure that all meals are reported and documented correctly. At a minimum, edit checks must verify that each site has been approved to serve the meals claimed and compare the number of children at each site, multiplied by the number of days on which the site is approved to serve meals, to the total number of meals claimed by the Sponsor for that month.

2. The Sponsor's feeding sites served meals outside approved serving time

Condition

Hunter's Lane High School

During our site visit on April 19, 2017, we attempted to observe a supper meal service. The suppers were served outside of the approved serving time. All participants were served before the approved serving time of 2:30 PM. There were 65 supper meals served claimed.

Wright Elementary NAZA

During our site visit on April 19, 2017, we attempted to observe a supper meal service. All participants were served before the approved serving time of 4:00 PM. There were 16 supper meals claimed.

Napier KidPower

During our site visit on April 27, 2017, we attempted to observe a supper meal service. All participants were served before the approved serving time of 3:30 PM. There were 40 supper meals claimed.

As a result, 121 supper meals served were disallowed.

Criteria

Title 7 of the Code of Federal Regulations, Section 226.20 (k) states, "State agencies may require any institution or facility to allow a specific amount of time to elapse between meal services or require that meal services not exceed a specified duration."

Recommendation

Sponsor should ensure meals are served during the approved serving time in listed in TIPS, and/or change the serving time to meet the needs of the participating children.

3. The Sponsor did not have an adequate financial management system to ensure program accountability

Condition

The Sponsor did not maintain adequate accounting records to demonstrate the cost allocation of the income and expenses of the program. CACFP regulations do not require institutions to maintain any specific type of banking system. The Sponsor presented a deposit only section of the bank statement. CACFP regulations allow funds to be comingled with other funds in one single bank account or they may be kept separate from other funds in a segregated bank account. However, if funds are comingled, the institution and State agency must be able to track CACFP-related income and expenses separately from other funds. Upon our review of the records we are not able to track all expenditures from the Sponsor's bank statements to the Program. The Sponsor did not provide us with a general ledger and/or detailed bank statement.

Criteria

FNS Instruction 796-2, Rev. 4, Page 94(3) states "Financial Institutions must record the receipt and expenditure of all Program funds, Program income and other income in accordance with U.S. GAAP, this Instruction, Department regulations and the State agency financial management system. Any Program expenses paid for in cash should be of a nominal amount and clearly documented."

Title 7 of the Code of Federal Regulations, Section 226.6(b)(1)(xviii)(C) Performance Standard 3—Program accountability states, "The renewing institution must have internal controls and other management systems in effect to ensure fiscal accountability and to ensure that the Program operates in accordance with the requirements of this part. To demonstrate Program accountability, the renewing institution must document that it meets the following criteria: (3) *Recordkeeping*. Maintains appropriate records to document compliance with Program requirements, including budgets, accounting records, approved budget amendments, and, if a sponsoring organization, management plans and appropriate records on facility operations."

Recommendation

We recommend that the Sponsor comply with state and federal regulations and ensure that they maintain an adequate financial management system.

4. A Sponsor's feeding site did not have a menu posted for the observed meal

Condition

During our visit at Whitsitt Elementary on April 20, 2017, there was no menu posted.

Criteria

FNS Instruction 796-2, Rev. 4, states, "Menu records that identify the meal components served to participants must be maintained. Menu records must be updated to reflect changes to planned menus so that the menu records reflect the actual meal components and foods service to participants."

Recommendation

The Sponsor should ensure the menu is posted for each meal served.

Technical Assistance Provided

The feeding sites personnel were provided with technical assistance regarding serving meals within the approved time frames, ensuring they have the current menu posted, and revising times in TIPS if the approved time frame is not working for their site.

Disallowed Meals Cost

Based on our review, we determined that the Sponsor's noncompliance with the applicable Federal and State regulations that govern the CACFP resulted in a total disallowed cost of \$366.12.

Corrective Action

Metro Nashville Public Schools must complete the following actions within 30 days from the date of this report:

- Login to the Tennessee Information Payment System (TIPS) and revise the claim(s) submitted for each site for April 2017, which contains the verified claim data from the enclosed exhibit.
- Remit a check payable to the ***Tennessee Department of Human Services*** in the amount of \$366.12 for recovery of the amounts disallowed in this report. ***Please return the attached billing notice with your check***; and
- Prepare and submit a corrective action plan to address the deficiencies identified in this report. The corrective action plan template is attached. Please return the corrective action plan to:

AuditServices.CAPS.DHS@tn.gov

If you have questions relative to the corrective action plan please contact:

Allette Vayda, Director
Child and Adult Care Food Program
8th Floor Citizens Plaza Building
400 Deaderick Street
Nashville, Tennessee 37243
Allette.Vayda@tn.gov
(615)313-3769

Please note that the amount of disallowed cost is subject to an interest charge. The interest charge will be waived if your revised claim within 30 days from the date of this report. If the revised claim is not completed by the 30-day deadline, an interest charge may be billed to your institution. Please mail your check and the billing notice to:

Child and Adult Care Food Program
Fiscal Services
11th Floor, Citizens Plaza Building
400 Deaderick Street
Nashville, Tennessee 37243

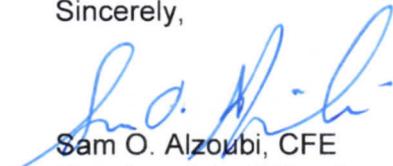
In accordance with the federal regulation found at *7 CFR Part 226.6 (k)*, your institution may appeal the amount of disallowed cost identified in this monitoring report. The procedures for submitting an appeal are enclosed. The appeal must be submitted to:

Tennessee Department of Human Services
Appeals and Hearings Division, Clerk's Office
P.O. Box 198996
Nashville, TN 37219

If the Institution decides to appeal the amount of disallowed administrative and meals cost, all appeal procedures must be followed as failure to do so may result in the denial of your request for an appeal.

We appreciate the assistance provided during this review. If you have any questions regarding this report, please contact Sean Baker, Audit Director 2, at 615-313-4727 or Sean.Baker@tn.gov.

Sincerely,



Sam O. Alzoubi, CFE
Director of Audit Services

Exhibits

cc: Spencer Taylor, Executive Director, Metro Nashville Public Schools
 Michael Robertson, Manager of Business Services, Metro Nashville Public Schools
 Allette Vayda, Director, Child and Adult Care Food Programs
 Debra Pasta, Program Manager, Child and Adult Care Food Program
 Constance Moore, Program Specialist, Child and Adult Care Food Program
 Marty Widner, Program Specialist, Child and Adult Care Food Program
 Elke Moore, Administrative Services Assistant 3, Child and Adult Care Food Program
 Comptroller of the Treasury, State of Tennessee

EXHIBIT A

Sponsor of At Risk Afterschool Meals Program

Sponsor: Metro Nashville Public Schools

Review Month/Year: April 2017

Total Reimbursement: \$43,249.62

Program Area	Reported on Claim	Reconciled to Documentation
Number of Days that CACFP Food Service was operated	19	19
Number of Sites	31	31
Total Attendance	12,940	12,940
Number of Suppers Served	12,758	12,650
Total Amount of Food Costs	XXXXXXXX	\$116,974.12
Total Amount of Eligible Food and Nonfood Costs	XXXXXXXX	\$129,365.75

EXHIBIT B

At Risk Afterschool Site

Site: Hunters Lane High School

Program Area	Reported on Claim	Reconciled to Documentation
Number of Days that CACFP Food Service was operated	19	19
Total Attendance	941	941
Number of Suppers Served	924	859

EXHIBIT C**At Risk Afterschool Site****Site: Paragon Mills Elementary**

Program Area	Reported on Claim	Reconciled to Documentation
Number of Days that CACFP Food Service was operated	12	12
Total Attendance	393	393
Number of Suppers Served	376	379

EXHIBIT D**At Risk Afterschool Site****Site: Napier EOS - KidPower**

Program Area	Reported on Claim	Reconciled to Documentation
Number of Days that CACFP Food Service was operated	14	14
Total Attendance	551	551
Number of Suppers Served	551	511

EXHIBIT E**At Risk Afterschool Site****Site: Whitsitt Elementary**

Program Area	Reported on Claim	Reconciled to Documentation
Number of Days that CACFP Food Service was operated	18	18
Total Attendance	867	867
Number of Suppers Served	832	797

EXHIBIT F**At Risk Afterschool Site****Site: Whitsitt Elementary - EL Reading Club**

Program Area	Reported on Claim	Reconciled to Documentation
Number of Days that CACFP Food Service was operated	11	11
Total Attendance	440	440
Number of Suppers Served	439	483

EXHIBIT G**At Risk Afterschool Site****Site: Wright Middle - NAZA**

Program Area	Reported on Claim	Reconciled to Documentation
Number of Days that CACFP Food Service was operated	15	15
Total Attendance	206	206
Number of Suppers Served	196	180

EXHIBIT H**At Risk Afterschool Site****Site: Wright Middle**

Program Area	Reported on Claim	Reconciled to Documentation
Number of Days that CACFP Food Service was operated	11	11
Total Attendance	540	540
Number of Suppers Served	539	540



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January 3, 2018

Shawn Joseph, Superintendent
Metro Nashville Public Schools
2601 Bransford Avenue
Nashville, Tennessee 37204-2811

**Notice of payment due to findings disclosed in the monitoring report dated January 3, 2018, for
Child and Adult Care Food Program (CACFP).**

Institution Name:	Metro Nashville Public Schools
Institution Address:	2601 Bransford Avenue Nashville, Tennessee 37204-2811
Agreement Numbers:	00-101
Amount Due:	\$366.12
Due Date:	February 5, 2018

Based on the monitoring report issued by the Audit Services Division within the Tennessee Department of Human Services, the Community and Social Services- Food Programs- CACFP & SFSP management has agreed with the findings which requires your institution to reimburse the Department of Human Services for disallowed meals cost.

Please remit a check or money order payable to the *Tennessee Department of Human Services* in the amount of \$366.12 by the due date to:

**Tennessee Department of Human Services
Fiscal Services 11th Floor
Citizens Plaza Building
400 Deaderick Street
Nashville, Tennessee 37243-1403**

Please note that the disallowed cost / overpayment of the CACFP is subject to an interest charge. The interest charge will be waived if the payment is received by the due date. If payment is not received by the end of 5th day of the due date, an interest charge may be added to the original amount due and will be billed to your entity.

If you have any questions regarding this notice, please feel free to contact Allette Vayda, Director, Community and Social Services- Food Programs- CACFP & SFSP at (615) 313-3769 or Allette.Vayda@tn.gov.

Thank you for your attention



Corrective Action Plan for Monitoring Findings

Instructions: Please print in ink or type the information to complete this document. Enter the date of birth for each Responsible Principal and/or Individual in Section B. Attach the additional documentation requested. Enter your name, title and date of signature on the last page. Please sign your name in ink. **Please return ALL pages of the completed Corrective Action Plan form.**

Section A. Institution Information

Name of Sponsor/Agency/Site: Metro Nashville Public Schools	Agreement No. 00-101	<input type="checkbox"/> SFSP <input checked="" type="checkbox"/> CACFP
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Mailing Address: 2601 Bransford Avenue Nashville, Tennessee 37204-2811

Section B. Responsible Principal(s) and/or Individual(s)

Name and Title: Shawn Joseph, Superintendent	Date of Birth: / /
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Section C. Dates of Issuance of Monitoring Report/Corrective Action Plan

Monitoring Report: 1/3/2018	Corrective Action Plan:
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Section D. Findings

Findings:

1. The Sponsor reported incorrect meal counts
2. The Sponsor's feeding sites served meals outside approved serving time
3. The Sponsor did not have an adequate financial management system to ensure program accountability
4. A Sponsor's feeding site did not have a menu posted for the observed meal

The following measures will be completed within **30 calendar days** of my institution's receipt of this corrective action plan:

Measure No. 1: The Sponsor reported incorrect meal counts

The finding will be fully and permanently corrected.

Identify the name(s) and position title(s) of the employee(s) who will be responsible for ensuring that the finding is fully and permanently corrected:

Name:

Position Title:

Name:

Position Title:

Describe below the **step-by-step** procedures that will be implemented to correct the finding:

When will the procedures for addressing the finding be implemented? Provide a timeline below for implementing the procedures (i.e., will the procedures be done daily, weekly, monthly, or annually, and when will they begin?):

Where will the Corrective Action Plan documentation be retained? Please identify below:

How will new and current staff be informed of the new policies and procedures to address the finding (e.g., Handbook, training, etc.)? Please describe below:

Measure No.2: The Sponsor's feeding sites served meals outside approved serving time

The finding will be fully and permanently corrected.

Identify the name(s) and position title(s) of the employee(s) who will be responsible for ensuring that the finding is fully and permanently corrected:

Name: _____ Position Title: _____

Name: _____ Position Title: _____

Describe below the **step-by-step** procedures that will be implemented to correct the finding:

When will the procedures for addressing the finding be implemented? Provide a timeline below for implementing the procedures (i.e., will the procedures be done daily, weekly, monthly, or annually, and when will they begin?):

Where will the Corrective Action Plan documentation be retained? Please identify below:

How will new and current staff be informed of the new policies and procedures to address the finding (e.g., Handbook, training, etc.)? Please describe below:

Measure No. 3: The Sponsor did not have an adequate financial management system to ensure program accountability

The finding will be fully and permanently corrected.

Identify the name(s) and position title(s) of the employee(s) who will be responsible for ensuring that the finding is fully and permanently corrected:

Name: _____ Position Title: _____

Name: _____ Position Title: _____

Describe below the **step-by-step** procedures that will be implemented to correct the finding:

When will the procedures for addressing the finding be implemented? Provide a timeline below for implementing the procedures (i.e., will the procedures be done daily, weekly, monthly, or annually, and when will they begin?):

Where will the Corrective Action Plan documentation be retained? Please identify below:

How will new and current staff be informed of the new policies and procedures to address the finding (e.g., Handbook, training, etc.)? Please describe below:

Measure No. 4: A Sponsor's feeding site did not have a menu posted for the observed meal

The finding will be fully and permanently corrected.

Identify the name(s) and position title(s) of the employee(s) who will be responsible for ensuring that the finding is fully and permanently corrected:

Name:

Position Title:

Name:

Position Title:

Describe below the **step-by-step** procedures that will be implemented to correct the finding:

When will the procedures for addressing the finding be implemented? Provide a timeline below for implementing the procedures (i.e., will the procedures be done daily, weekly, monthly, or annually, and when will they begin?):

Where will the Corrective Action Plan documentation be retained? Please identify below:

How will new and current staff be informed of the new policies and procedures to address the finding (e.g., Handbook, training, etc.)? Please describe below:

I certify by my signature below that I am authorized by the institution to sign this document. As an authorized representative of the institution, I fully understand the corrective measures identified above and agree to fully implement these measures within the required time frame. I also understand that failure to fully and permanently correct the findings in my institution's CACFP or SFSP will result in its termination from the program, and the placement of the institution and its responsible principals on the National Disqualified List maintained by the U.S. Department of Agriculture.

Printed Name of Authorized Institution Official:

Position:

Signature of Authorized Institution Official: _____

Date: / /

Signature of Authorized TDHS Official: _____

Date: / /

- (xi) The institution, one of its sponsored facilities, or one of the principals of the institution or its facilities has been convicted for any activity that indicates a lack of business integrity;

(c) Administrative review is also available if the State agency notifies the institution and responsible principal or responsible individual of the following actions: proposed disqualification of a responsible principal or responsible individual, denial of a budget, denial of a line item within a budget, downward adjustment of the amount approved in a budget, suspension of an institution's participation, denial of start-up or expansion funds, denial of a request for advanced payment, recovery of an advance in excess of a claim, denial of a claim for reimbursement (except for late submission), decision not to forward an exception request for payment of a late claim, overpayment demand, denial of a new or renewing institution's application for participation, denial of sponsored facility application, notice of proposed termination, claim denial, claim deadline exceptions and requests for upward adjustments to a claim, or any other action affecting an institutions participation or claim for payment.

3. All appeal requests must be presented in writing to the TDHS Division of Appeals and Hearings not later than 15 calendar days after the date the institution or sponsoring agency receives the notice of adverse administrative action.

4. The date of an institution's or sponsoring agency's receipt of a notice of suspension and/or proposed termination and disqualification will be governed by the federal regulation at 7 CFR Part 226.2. The notice must specify the action being proposed or taken and the basis for the action, and is considered to be received by the institution or day care home when it is delivered, sent by facsimile, or sent by email. If the notice is undeliverable, it is considered to be received by the institution, responsible principal or responsible individual, or day care home five days after being sent to the addressee's last known mailing address, facsimile number, or email address.

5. The TDHS Division of Appeals and Hearings will acknowledge the receipt of the appeal request within 10 calendar days of the receipt of the institution's or sponsoring agency's request for review. The written request for review should state if a fair hearing is requested or if a review of written information in lieu of a fair hearing is requested. If the appeal request from the institution or sponsoring agency does not specifically request a hearing, a review of written information in lieu of a hearing will occur. If a fair hearing is requested and the institution or sponsoring agency's representative fails to appear, the right to a personal appearance is waived.

6. If an institution or sponsoring agency does not request a fair hearing or a review of written information in lieu of the hearing within 15 calendar days from the date the institution or sponsoring agency receives a Notice of Proposed Termination, the TDHS will issue a letter advising the institution or sponsoring agency that it is terminated from the CACFP effective on the 16th calendar day following the institution's or sponsoring agency's receipt of the notice, and that the responsible principals and individuals of the institution or sponsoring agency are disqualified from participation.

7. To be considered for a fair hearing or for a review of written information in lieu of a fair

Appeal Procedures for Child and Adult Care Food Program-Institutions
Revised March 2017

hearing, all written documents must be submitted to the TDHS Division of Appeals and Hearings not later than 30 days after receipt of the notice of adverse administrative action.

8. The action of the TDHS must remain in effect during the administrative review. The effect of this requirement on particular actions by TDHS is as follows:

(i) *Overpayment demand.* During the period of the administrative review, TDHS is prohibited from taking action to collect or offset the overpayment. However TDHS must assess interest beginning with the initial demand for remittance of the overpayment and continuing through the period of administrative review unless the administrative review official overturns the TDHS's action.

(ii) *Recovery of advances.* During the administrative review, TDHS must continue its efforts to recover advances in excess of the claim for reimbursement for the applicable period. The recovery may be through a demand for full repayment or an adjustment of subsequent payments.

(iii) *Program payments.* The availability of Program payments during an administrative review of the denial of a new institution's application, denial of a renewing institution's application, proposed termination of a participating institution's agreement, and suspension of an institution are addressed in paragraphs (c)(1)(iii)(D), (c)(2)(iii)(D), (c)(3)(iii)(D), (c)(5)(i)(D), and (c)(5)(ii)(E), respectively, of 7 CFR §226.6.

9. The institution or sponsoring agency must refute the charges contained in the notice during the fair hearing or in the written information that is provided in lieu of the hearing.

10. The institution and the responsible principals and responsible individuals may retain legal counsel, or may be represented by another person.

11. If a fair hearing is requested, the institution or sponsoring agency will be notified in writing of the time, date and place of the fair hearing at least 10 calendar days in advance.

12. Any information which supports an adverse administrative action taken by the TDHS shall be available to the institution or sponsoring agency for inspection from the date of the receipt of the request for a fair hearing or a review of written information in lieu of the hearing.

13. In accordance with 7 CFR Part 226.6 (k)(8), the TDHS Division of Appeals and Hearings must conduct the administrative review of the proposed disqualification of the responsible principals and responsible individuals as part of the administrative review of the application denial, proposed termination, and/or proposed disqualification of the institution with which the responsible principals or responsible individuals are associated. However, at the administrative review official's discretion, separate administrative reviews may be held if the institution does not request an administrative review or if either the institution or the responsible principal or responsible individual demonstrates that their interests conflict.

14. The procedures contained in the Uniform Administrative Procedures Act found at TCA 4-5-301 et seq. shall be followed in rendering a decision on all appeals. The decision of the hearing officer is the final administrative determination to be afforded to the institution or sponsoring agency, and shall be rendered in a timely manner not to exceed 60 calendar days from the date of the receipt of the request for a fair hearing.

15. The processing limits for administrative appeals MUST be met. In the event a continuance is requested by a party, one continuance may be granted at the Hearing Official's discretion. This

Appeal Procedures for Child and Adult Care Food Program-Institutions
Revised March 2017

continuance shall not be for a period longer than ten (10) calendar days unless there are exceptional circumstances. Exceptional circumstances must be detailed in the order of continuance and the order must contain a date certain for the hearing, to be set as soon as possible. A report of pending CACFP desk review and fair hearing requests will be generated and reviewed daily by the Clerk's Office and the Legal Director for Appeals and Hearings who will monitor the dates for timeliness. In the event a decision has not been rendered within forty-five (45) calendar days of the date of receipt of the request for fair hearing or desk review, the Legal Director for Appeals and Hearings or their back-up shall notify the hearing official to take appropriate action.

16. All requests for a fair hearing or for a review of written information in lieu of a hearing must be submitted to:

Tennessee Department of Human Services
Division of Appeals and Hearings
PO Box 198996, Clerk's Office
Nashville, TN 37219-8996
Fax: (615) 248-7013 or (866) 355-6136
E-mail: AppealsClerksOffice.DHS@tn.gov

17. If a termination action is upheld by the hearing officer, the TDHS will issue a letter to the institution or sponsoring agency and its responsible principals and individuals advising that the termination and disqualification are effective on the date of the ruling issued by the hearing officer. The agency maintains searchable records of all administrative reviews and their dispositions for a period of five (5) years.

18. As required by 7 CFR Part 226.6 (c)(7), each disqualified institution, sponsoring agency, principal and individual will be placed on the National Disqualified List maintained by the U.S. Department of Agriculture (USDA). Once included on the National Disqualified List, an institution, sponsoring agency, principal and individual shall remain on the list until such time as the USDA, in consultation with the TDHS, determines that the serious deficiencies that led to their placement on the list have been corrected, or until seven years have elapsed since they were disqualified from participation. However, if the institution, sponsoring agency, principal or individual has failed to repay debts owed under the program, they will remain on the list until the debt has been paid.